

# EXHIBIT 2

 U S. Department of Transportation  <b>National Highway Traffic Safety Administration</b>	<b>ODI RESUME</b>		
	INVESTIGATION: PE00-046 DATE OPENED: 21-NOV-00      DATE CLOSED: 01-MAR-02 SUBJECT: Alleged Tire Failure PROMPTED BY: IE00-085 (Peter Ong) PRINCIPAL INVESTIGATOR: John Abbott		
	MANUFACTURER: The Goodyear Tire and Rubber Company (Goodyear) MODEL(S): All Load Range "E" Light Truck Tires MODEL YEAR(S): 1991 through May 2000 TIRE POPULATION: [CONFIDENTIAL]		
	PROBLEM DESCRIPTION: Separation of the tread belt from the carcass of the tire.		
	<b>FAILURE REPORT SUMMARY</b>		
	<u>ODI</u> COMPLAINTS/ CLAIMS: CRASHES: INJURIES: FATALITIES: OTHER:	<u>MANUFACTURER</u> [CONFIDENTIAL]	<u>TOTAL</u> [CONFIDENTIAL]* 87** 158 18 0
	107*		
	ACTION: This Preliminary Evaluation (PE) is closed. By letter of January 28, 2002, Goodyear notified the agency it will conduct a program to replace certain Load Range "E" tires installed on 15 passenger vans and ambulances. NHTSA has assigned this action Safety Improvement Campaign Number 02X-001.		
	Investigator: <i>John Abbott</i> DATE: <u>3/1/02</u>	DIV. CHF: <i>Peter Ong</i> DATE: <u>3/1/02</u>	OIC: DIR: <i>[Signature]</i> DATE: <u>3-1-02</u>

**Background:** This investigation was opened on November 21, 2000, based on information provided to ODI by Goodyear and other interested parties regarding tread separations of Load Range "E" (LRE) tires manufactured by Goodyear and Kelly Springfield (Kelly), a business unit within Goodyear. The information provided included data regarding 31 vehicle crashes resulting in 129 reported injuries and 15 reported fatalities.

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- Duplicates of ODI reports were not eliminated from the Manufacturer (MFR) total.  
 Six (6) crashes involved a tread separation on a towed vehicle (e.g., trailer). One (1) crash was due to an attempt to avoid a separated tread in the roadway.

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**Subject tires:** The subject LRE tires are designed for light truck applications and are manufactured in fourteen different sizes, 144 different models, and in various construction types; i.e., Polyester Carcass Steel Belted Radial, Steel Carcass Steel Belted Radial, and Bias Ply. LRE tires have the highest weight-carrying capacity of all light truck tires and are used primarily on 3/4 and 1 Ton (2500 and 3500 series) light trucks and vans.

**Scope:** The scope of this investigation included all LRE tires manufactured by Goodyear and Kelly. Goodyear revised the design of these tires beginning in January 1996 to add a nylon overlay. Goodyear has stated that it did so to make the tires "more robust." Goodyear has manufactured LRE tires under the Goodyear brand since 1991, and under the Kelly brand since 1992. The Goodyear brand LRE tires were sold under the model names Wrangler, Workhorse, and Tracker. The Kelly brand LRE tires were sold under a variety of model names such as Safari, Pathfinder, and Power King. Kelly also manufactured LRE tires for many private label brands such as Sears, Sam's Club, and Wal-Mart.

**Investigation Summary:** In its response to ODI's requests for information, Goodyear reported that it had received over [CONFIDENTIAL] damage claims regarding the subject tires. Virtually all of the claims were on tires without the overlay. Almost all of those claims involved only property damage, and the damage was usually limited to the vehicle itself (e.g., a separated tread causing damage to the wheel area). However, there were 87 reported crashes involving tread separations on the subject tires without an overlay, 44 of which led to 158 injuries and 18 fatalities. There were no reported crashes involving tread separations on the subject tires with an overlay.

The crash data did not indicate that tread separations occurred more frequently or consistently on any particular model or model year of the subject tires (i.e., 27 different tire models in 7 different production years). An analysis of the types of vehicles involved in the reported crashes, however, showed that crashes involving large vans (including ambulances built on extended van chassis) accounted for 84 percent of the injuries and 61 percent of the fatalities. While there were several fatal crashes reported involving pickup trucks, the crash rate for pickups (0.7 crashes per 100 claims) was only 12 percent of the rate for the vans (5.7 crashes per 100 claims). A breakdown of the crashes by vehicle type is set forth below.

U.S. Crash Distribution By Vehicle Group						
Vehicle Group	Total	Rollover	Non-fatal Injury Crashes	Fatal Crashes	Injuries	Fatalities
Van	31	22	18	8	133	11
SUV	7	5	5	1	14	1
Pickup	33	8	4	6	8	6
Utility	6	1	1	0	2	0
Unknown	4	0	1	0	1	0
Trailer	6	0	0	0	0	0
<b>TOTAL</b>	<b>87</b>	<b>36</b>	<b>29</b>	<b>15</b>	<b>158</b>	<b>18</b>

Separately and aside from this investigation, NHTSA has been concerned about the potential for rollover of large, 15-passenger vans. Rollovers of these vans have led to numerous fatalities and injuries. On April 9, 2001, following several highly-publicized rollover crashes involving 15-passenger vans carrying college students, NHTSA issued a "Consumer Advisory" on this issue. Among other things, the Advisory noted that the risk of rollover increases dramatically as the number of occupants increases and that it is important for

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drivers of such vans to be familiar with their handling characteristics, especially when the vans are fully loaded.

In its letter to NHTSA dated January 28, 2002, Goodyear stated that it did not believe the LRE tires subject to this investigation are defective. Goodyear, however, has notified the agency that it will conduct a program to replace for free all earlier designed subject tires (which contain four plies) with its latest design Goodyear brand LRE tires (which contain six plies) on 15-passenger vans and ambulances. The specific details of the replacement program are found in Goodyear's letter of January 28, 2002.

**Affected tires and replacement program details:** Goodyear will directly notify registered owners of model years 1996 through 2000 15-passenger vans (with or without the fifth row seat). Goodyear will also directly notify registered tire owners known to have purchased the earlier design LT245/75R16 Load Range "E" tires who are also registered owners of 15-passenger vans (with or without the fifth row seat) for vehicle model years 1992 through 2000. Goodyear will be using R.L. Polk data to identify both groups of van owners. These van owners will be offered free replacement of any earlier design Goodyear or Kelly manufactured LT245/75R16 tires installed on their vans (including the spare tire).

In addition, although there will not be direct notification, Goodyear stated it will provide free replacement of earlier Goodyear or Kelly LT235/85R16 Load Range "E" tires (including the spare tire) on pre-1992, 15-passenger vans (with or without the fifth row seat).

Under its program, Goodyear is also offering to replace for free its earlier design LT245/75R16 Load Range "E" tires installed on ambulances, in order to avoid possible delay in transport to a medical facility. Goodyear will advise ambulance operators of this program through direct mailing to those operators.

Although there have been numerous failures of the subject tires on vehicles other than large vans and ambulances, these failures have only rarely had serious safety consequences. Therefore, ODI has decided that Goodyear's tire replacement program is sufficient to resolve the issues raised by this investigation. Accordingly, this investigation is closed. The closing of this investigation does not constitute a finding by NHTSA that no safety-related defect exists. The agency will take further action if warranted by the circumstances.

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